

The complaint

Mrs O complains that Monzo Bank Ltd won't refund her the money she lost after she fell victim to an Authorised Push Payment ("APP") scam.

In bringing her complaint to this service Mrs O is represented, but for ease of reading I will refer to Mrs O throughout this decision.

What happened

The background to this complaint is well known to both parties, so I won't repeat it all in detail here. But in summary, I understand it to be as follows.

In October 2023, Mrs O received a call regarding a job opportunity. She was told the job involved completing tasks by reviewing products and boosting their ratings. She was told that for 30 minutes work a day, she could expect to receive £600-£3,000 a week. Believing everything to be genuine Mrs O proceeded, but unknown to her at the time, she had been contacted by fraudsters. The fraudsters then persuaded Mrs O to pay her own money in order to proceed with the work.

Mrs O made payments to accounts she set up with third-party cryptocurrency platforms. Her payments were then converted into cryptocurrency and subsequently transferred into the control of the fraudsters. She used her Monzo card to make the following payments, totalling £2,928.41;

	Date	Amount
1	9 October 2023	£113.41
2	10 October 2023	£350
3	10 October 2023	£825
4	10 October 2023	£1,640

Mrs O realised she'd been scammed when she was asked to pay increasingly larger sums and the fraudster suggested that she borrow money to enable her to make the payments.

Mrs O raised the matter with Monzo, but it didn't uphold her complaint. In summary it said it had processed the payments in line with her instructions and it didn't think the activity was out of character. Alongside this, Monzo also didn't think there would have been an opportunity for it to recover the money Mrs O had lost.

Unhappy with Monzo's response, Mrs O brought her complaint to this service. One of our Investigator's looked into things, but didn't think the complaint should be upheld. In summary, she didn't think Monzo missed an opportunity to identify that the payments were being made in relation to a scam. She also agreed that Monzo hadn't missed an opportunity to recover the money.

Mrs O didn't agree with our Investigator's view. As agreement couldn't be reached, the complaint has been passed to me for a final decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

In broad terms, the starting position at law is that a bank is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the terms and conditions of the customer's account.

However, there are times when I might expect a bank to question a transaction or payment, even though it may have been properly authorised. Broadly speaking, firms (like Monzo) should fairly and reasonably have been on the lookout for the possibility of fraud in order to protect its customers from the possible risk of financial harm as a result of fraud and scams. I've considered whether there was anything about the circumstances surrounding the payments that could have put Monzo on notice that they were being made as part of a scam, but I don't think there was.

Monzo has a difficult balance to strike in how it configures its systems to detect unusual activity or activity that might otherwise indicate a higher than usual risk of fraud. There are many millions of payments made each day, and it would not be possible or reasonable to expect a bank to check each one. I'm also mindful that many Monzo customers use their accounts to buy cryptocurrency legitimately and Monzo needs to strike a balance between protecting its customers and minimising disruption to legitimate payment journeys.

I don't doubt the payments represented a lot of money to Mrs O. But when compared with other payments that Monzo processes daily and when considering the activity on Mrs O's account in the months leading up to the scam, where I can see payments for not dissimilar amounts, I'm not persuaded they were of values which I think would have appeared so suspicious or unusual to Monzo.

I'm mindful that the payments do increase in value, and they are identifiably being made to cryptocurrency exchanges. But as I've mentioned above, there are many thousands of payments made daily for legitimate cryptocurrency transactions and overall, I don't consider the payments Mrs O made to have been remarkable enough to have warranted Monzo to act and have contacted Mrs O ahead of processing them.

With this in mind, I don't think Monzo made an error in allowing the payments to be progressed or missed an opportunity to prevent the fraud.

I've thought about whether Monzo could have recovered any of the funds Mrs O lost when it was made aware of the scam. But given the funds had been exchanged into cryptocurrency and then been moved onto accounts controlled by the fraudsters, I don't think Monzo would have been able to recover any funds. And I'm not persuaded there would have been any prospect of a successful chargeback claim. It follows that I don't think it missed an opportunity to recover the money Mrs O sadly lost.

I have a great deal of sympathy with Mrs O being the victim of what was clearly a cruel scam, and I understand this must have been a very difficult time for her. But I don't find that Monzo has acted unfairly in processing the payments Mrs O made and in turn I've decided Monzo isn't responsible for reimbursing her.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 7 July 2025.

Stephen Wise
Ombudsman